

Exclusive & Service Contracts: Bad for Consumers!!

I recently purchased an iPhone (from Apple). I was shocked and appalled to find out that, I had to enter into a two year contract with At&t. At&t and Apple gave me nothing free, or subsidized. I paid the full price (599.99 + tax) for an 8GB iPhone. Why then, did I have to enter into a two year contract??? I was also forced to pay an additional 20.00\$ a month for a data plan that the iPhone is capable of operating without. The iPhone is also equipped with Wi-Fi. My choice to only use Wi-Fi was taken away by, being forced to purchase the 20.00\$ a month (very slow, Edge, instead of 3G)(which I am totally dissatisfied with) data plan.

I feel as a consumer, that I was totally railroaded by both At&t and Apple. Cellular Carriers always argued that, the two year contract was in exchange, for a free or subsidized phone. The Cellular Carriers have now moved to giving the consumer nothing, while still requiring a service contract. I feel that this is a sort of, "Corporate Extortion". I, as well as many other consumers, have grown accustomed to using a cellular phone/PDA. I have no choice but to enter into these contracts/service agreements, to use a cellular phone. I feel that the consumer should have the choice to determine, when or if, he/she no longer needs a cellular company's services. I feel that after making that determination, the consumer should be able to pay his/her last bill, and walk away without paying a hefty early termination fee.

I also was not very happy about being forced to use At&t just because I purchased an iPhone. I am very capable of thinking for myself. I did not need Steve Jobs/Apple to choose my cellular carrier for me. All I needed Apple to do is, sell me their device. The choice of carrier should be left up to the consumer. Exclusive phone deals, between phone makers and Cellular carriers, should be outlawed. Those such agreements, take away the consumers freedom to choose what plan, price and company suits each consumer best. Think of it this way, would you buy a car that the automaker, forced you to buy gas from only one chain of gas stations(that the automaker chose for you)??? Would you buy a carton of milk, if the dairy dictated what glass you would buy, to drink the milk out of??? Sounds silly, but this is exactly what is happening in the cellular industry today.

Every business in America, that makes a product that requires a service to use it, is looking at the cellular industry right now (as a business model for "Exclusive Contracts"). We are going to start seeing all kinds of products, in exclusive contracts with service providers. This is a very disturbing trend. If we as consumers, continue to let this flourish in the cellular industry, it will surely, spread like wildfire to other business sectors.

Why the two year contracts are wrong:

I recently was having all kinds of service outages with Nextel. I complained almost daily to Nextel

customer service. Nextel even gave me a 40% discount, (basically admitting that there was a problem) on my bill. The service became so unusable, discount or no discount) that I terminated my contract. Why should I have to continue to pay, for service that at best, was sporadic??? Yes, you guessed it, I had to pay an early termination fee. I argued long and hard with Nextel about their early termination fee. Nextel's out was this, somewhere buried among legal terms that (would probably baffle a Supreme Court Judge) was the phrase, " Nextel does not guarantee service". Nextel stood by their buried phrase and made me pay the early termination fee. I could have not paid, but then it would have showed up on my credit report.

I don't know about anyone else. I am sick and tired of being a slave to my cellular provider. You may decide, I don't need all the minutes in my cellular plan, I'm not using them. I think I will lower my minute package why pay for something you don't use?), yes, it extends your contract. Oh, you want mobile to mobile, extends your contract. Want to add a data plan, extends your contract. Want to talk to a service rep, extends your contract (I'm just kidding about that last one, but it's probably not far off. Why in the first place, is there a 2 year contract??? When I make a decision that I no longer need a service, and I have paid in full for the services rendered to me. Shouldn't I be able to cancel and walk away?? Secondly, why does everything that you add or subtract from your cellular plan, **EXTEND YOUR CONTRACT???**

The only way to do something about all of this, is to complain, loud, proud and more importantly, in writing. We as consumers, must take back our freedom to choose. We must make it loud and clear to the corporations that, they need us, we do not need them. Stop buying a company's goods or services, watch how fast that company will listen to the consumer. Thank You, M. Elliott